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ARIZONA CORPORATION COMMISSION  
OFFICE OF COMMISSIONER BOYD DUNN

November 20, 2019

Docket Control  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

**Re: In the matter of the rate review and examination of the books and records of Arizona Public Service Company and its affiliates, subsidiaries and Pinnacle West Corporation (E-01345A-19-0003).**

Dear Mr. Chairman and my fellow Commissioners:

I am writing today to request that the above referenced matter be placed on the December Open Meeting Agenda for discussion and a possible vote regarding Arizona Public Service Company's compliance with Decision 77270. I am appalled with the repeated "problems" that have arisen from a seemingly simple Commission directive. We asked APS to implement an effective Customer Outreach and Education Program. We also asked APS to provide pro forma billing to customers who were not on their most economical plans. Finally, we asked APS to report back to the Commission on the status of these efforts. So far, it appears that APS, by their own admission, has failed to comply with our directives. If this is how they have handled our straightforward orders, I question how they are complying with more complex directives. I believe APS, specifically newly appointed CEO Jeff Guldner, should come before the Commission to address these concerns and answer our questions.

When a company fails to follow Commission Decisions, it puts ratepayers at risk. In those circumstances, we are called upon to take action to protect the best interests of the ratepayer. Ratepayers should not shoulder the cost for a company's management failures. Companies will be held accountable for their poor business decisions. In this case, the Commission should also discuss whether sanctions are appropriate and what remedies are available to us to make ratepayers whole.

Commissioner Olson's November 15, 2019, letter perfectly captures the concerns I have about the rate comparison tool. At Open Meeting, I expect APS to address his questions. I also understand that APS was using a third-party for the rate comparison tool and now intends to move the tool in-house. I would like to see a demonstration of the new rate comparison tool that APS plans to deploy. I would like the Company to propose a plan for independent verification of the tool before it is deployed and ongoing audit process to ensure the tool continues to operate as expected. I would also like the Company to present the communication strategy for getting the approximately 12,000 affected customers back onto their most economical rate plan.

I am also aware of an ongoing dispute between APS and Commission Staff over how to implement pro forma billing for customers that are not on their most economical rate plans. It has been almost five months since the Company was ordered to implement pro forma billing. This issue should have long been resolved or brought back to the Commission for additional action. I would like the Company to present five pro forma billing options for the Commission to consider. One of those options should reflect Commission Staff's recommended format.

One of the critical issues raised during the proceedings was the necessity of stakeholder input in the development and implementation of the Customer Outreach and Education Program. I expect APS to provide a detailed update of how they engaged stakeholders in the process to date. I would also like to hear from participating stakeholder groups, including AZ PIRG and Wildfire, to discuss the effectiveness of those engagement efforts.

Finally, the Company must have an answer for how it intends to restore the public's trust that the information they are providing is accurate and in the best interest of the ratepayer. The Company should present a strategy for restoring that trust to the Commission. I encourage them to think creatively and address considerations like greater transparency, third-party audits, and proactive measures. I anticipate that the public will weigh in with additional suggestions and critiques through the docket.

I look forward to discussing these issues at the upcoming December Open Meeting.

Sincerely,



Boyd Dunn  
Commissioner



On this 20th day of November, 2019, the foregoing document was filed with Docket Control as a Correspondence From Commissioner, and copies of the foregoing were mailed on behalf of Boyd Dunn, Commissioner - A.C.C. to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

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**E-01345A-19-0003**

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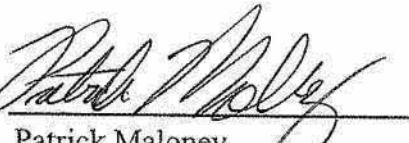
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